



# KENTUCKY VENUES ANNUAL REPORT 2017

Venues | Entertainment | Events | Agriculture



# PEOPLE. PLACE. PURPOSE.

Since 1938, the Kentucky State Fair Board has worked consistently and creatively to bring the people of the Commonwealth together to celebrate, share experiences and create economic energy. Efforts in the year 2017 have further enhanced the Board's goals to create gathering places that are open to all and to ensure that the culture of Kentucky is preserved and presented as a tribute to everyone who calls Kentucky home.

## POWER



The nation's largest indoor farm show, The National Farm Machinery Show, continues to surge as this high powered annual event pulls in more 300,000 attendees from around the world and generates a \$17 million economic impact.

Spanning 1.3 million square feet and pulsating with the agricultural industry's most comprehensive displays of equipment, services and technology, the NFMS continues to maintain its standing as one of the Top Ten Largest U.S. Trade Shows.

This year, the ever-popular Championship Tractor Pull alone sold more than 65,000 tickets as top drivers competed for the title of Grand Champion and more than \$200,000 in prize money.

## PRIDE



There was plenty to be proud of at the 113th Kentucky State Fair. Welcoming weather helped to bring out 609,555 people to

experience new events, food, entertainment and efficiencies. New express lanes got folks in faster; the new Kentucky State Fair app made it easy to navigate all of the activities and keep an up-to-the-minute schedule; and the First Annual and highly successful FAIRenheit Festival at Cardinal Stadium showcased

all things local, including entertainment, craft breweries and distilleries. State Fair records were broken in the Largest Pumpkin (1,223 pounds) and Largest Watermelon (296.5 pounds) categories.

**The Kentucky State Fair drew 44,618 more fairgoers than last year thanks to great weather, family tradition and new features and events!**



## PUREBRED



The annual North American International Livestock Exposition is the largest purebred livestock show in the world, generating an economic impact of \$8.3 million for the Louisville region. Originated 44 years ago at the Kentucky Exposition Center, NAILE is the livestock industry's capstone event and provides Kentucky with the opportunity to showcase its agricultural history and heritage every year.

In 2017, NAILE attracted nearly 30,000 entries and drew competitors, exhibitors and attendees from 49 states and six countries. The Great

Lakes Circuit Finals Rodeo, held in conjunction with NAILE, topped its five year attendance record at 19,000 and the accompanying Sale of Champions raised \$64,500 for youth exhibitors and charities.

# PROGRESS.



Progressing toward its reopening, scheduled for August 2018, the Kentucky International Convention Center is well on its way to transforming the downtown landscape in terms of its physical presence and its tremendous potential for increased economic impact. When construction is complete, KICC will offer more than 200,000 square feet of exhibit space, 40,000 square feet of ballroom space, 52 meeting rooms, a 175-seat tiered conference theatre and a kitchen that can make 15,000 meals per day. Such expanded space allows KICC to compete for 25 percent more business than it could before.

## AT THE PINNACLE

Louisville and Kentucky officials celebrated the convention center's final steel beam being hoisted and put into place on October 19th with a Topping Off Ceremony that included selected guests signing the beam.

The ceremony took place amid the more than 25 new hotel projects either announced or under construction as a result of the expansion, one of which is just a few blocks away. The new 30-story Omni Hotel is expected to open in March 2018. In all, KICC will be within walking distance of 6,000 hotel rooms when it opens.



## PIQUING INTEREST



The expansion of KICC already has guaranteed significant business for the city in the five years after it re-opens, including 38 new conventions and trade shows, 35 returning events and 24 groups who needed the additional exhibit, and ballroom space to return.

KICC has also been highly successful in booking tourism and trade show industry events that provide the opportunity to showcase the facility to planners who will be selecting space for their own professional events and conventions:

### TRADE SHOW COMMITMENTS FOR KICC

- Trade Show News Network..... **August 2018**
- Travel Events and Management in Sports..... **October 2018**
- American Bus Association..... **January 2019**
- CONNECT Marketplace..... **August 2019**



# PRIMED. PUMPED.

Throughout the years, the Kentucky Exposition Center has grown and evolved to annually accommodate more than 225 events, representing more than 2 million visitors. These are just a few of the exciting events that have grown and evolved along with the venue:



## VEX ROBOTICS WORLD CHAMPIONSHIP

has taken up residence at the Kentucky Exposition Center for the past three years, where it has grown to attract 20,000 students and generate an annual economic impact of \$1.7 million.

The event is designed for competing teams of students, ranging in age from elementary school through college, that already have had to compete against as many as 18,000 teams to advance to the Championship.

This year, 1,400 teams competed in games using robots to overcome engineering challenges and spread out through Freedom Hall, East Hall, the North Wing and South Wings A and B.



## THE INTERNATIONAL CONSTRUCTION AND UTILITY EQUIPMENT EXPOSITION

first came to the Kentucky Exposition Center more than 30 years ago and has since grown to become the largest showcase of construction equipment distributed through dealers, retailers, and distributors for consumer, professional and rental use.

To serve its more than 23,000 attendees, ICUEE now requires 28 acres of space to present and demonstrate equipment, products and technologies. KEC provides both premium indoor and outdoor exhibit space for handling demos and test drives for large scale equipment, such as cranes, earth movers and heavy duty trucks, all of which goes toward generating a more than \$19 million economic impact.



## OHIO VALLEY VOLLEYBALL TOURNAMENT

known as the Ultra Ankle Bluegrass Tournament, started some ten years ago, it was spread out among a number of small venues over two weekends. Recognizing the tournament's opportunity for growth, the Kentucky Exposition Center staff and partners worked with the group to better coordinate the activity to bring it under one roof and intensify the energy into one weekend.

Since then, the annual volleyball tournament has grown to attract more than 13,000 participants and attendees and generates an economic impact of \$5.9 million. It is now one of largest girls' volleyball events in the country.

**KEC**  
SNAPSHOTS

**225**  
EVENTS



**227**  
MILLION \$  
ECONOMIC IMPACT  
\*Louisville Convention & Visitors Bureau

**2.075**  
MILLION  
VISITORS



### KEC MARKET MIX

16%	CORPORATE
16%	ATHLETIC
14%	HOBBY
10%	TOURISM
10%	TRADE/BUSINESS
8%	EDUCATIONAL
8%	LEGAL/GOV
6%	AGRICULTURE
6%	CULTURAL
3%	RELIGIOUS
3%	MISC

# HIGH POINTS.

## FROM THE BOARD'S PEN

As we progress toward completion of the KICC expansion, push our strategically positioned branding out to exciting new opportunities and continue to service our committed clients with added space and up-to-date facilities, the Kentucky State Fair Board is pleased to present this 2017 Annual Report. We are proud of our achievements in new business development and increased economic activity for our region. And we are excited about our growth potential made possible by the forward thinking and unwavering commitment of both our staff and board. It is a privilege to serve the people of the Commonwealth and to be part of an organization that brings people together to learn, have fun and further the economic viability of our state.

**Dr. Mark Lynn**  
*Chairman*



## BRAND PERSONALITY



Unveiled in March 2017, the Kentucky State Fair Board's new branding, "Kentucky Venues," clearly communicates what KSFB is and what it does, making it a much more powerful tool in a competitive marketplace.

"Kentucky Venues" represents the Kentucky Exposition Center, Kentucky International Convention Center, Kentucky State Fair, National Farm Machinery Show, North American International Livestock Exposition and Kentucky

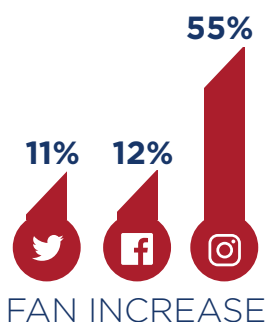
Hoopfest. By bringing these entities together under one identity, KSFB has positioned "Kentucky Venues" to attract new and larger trade shows and events and emphasizes the facilities' roles as economic drivers for the Commonwealth.

The new branding includes the new name, logo and website and is currently being applied to all KSFB communications. "Kentucky Venues" is poised to enhance its vital economic role in the Commonwealth. Since 2014, just the KEC and KICC alone have generated a \$483 million economic impact for the community.



## PLUGGED IN

Kentucky Venues achieved new heights in social media activity in 2017 with an overall 20% increase in traffic across 12 managed accounts. Significant contributors to the increase were the Kentucky State Fair, which generated a 52% increase in Instagram followers, and along with Facebook and Twitter generated an overall 68% increase in Fair fans.



The National Farm Machinery Show enjoyed a 38% increase in followers and a 72% fan increase over all platforms.

Overall, social media provides an increasingly lucrative environment for Kentucky Venues to connect with visitors and help create a more robust visitor experience.

# FINANCIAL REPORT.

## OVERVIEW

FISCAL YEAR 2016-2017\*

### OPERATING REVENUES

Charges for services	\$39,538,828
Lease Income	\$2,436,822

<b>Total Operating Revenues</b>	<b>\$41,975,650</b>
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### OPERATING EXPENSES

General & Administrative	\$3,736,086
Operating	\$36,579,876
Direct Cost of Events	\$10,469,479
Deprecation & Amortization	\$11,738,740

<b>Total Operating Expenses</b>	<b>\$62,524,181</b>
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<b>Operating Loss</b>	<b>(\$20,548,531) **</b>
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### NON-OPERATING REVENUES (EXPENSES)

Interest Expense	(\$1,225,806)
Loss on disposal of Fixed assets	(\$7,447,014)
Interest & investment revenue	\$20,124
Other	\$1,139,687

<b>Total Non-Operating Expenses, net</b>	<b>(\$7,513,009)</b>
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\* Source of data is the Kentucky State Fair Board Audit Report through fiscal year ending June 30, 2017.

\*\*Related to the demolition of Kentucky International Convention Center

## CAPITAL PROJECTS

Capital projects are long-term investments, including major maintenance or rehabilitation projects for existing facilities.

### Capitalized Expenditures:

Equipment Purchase - \$920,356

### Structural Repairs:

KEC - Roof Repair - \$4,071,850

Freedom Hall & West Wing Meeting Room  
Renovation - \$30,000

### Construction in Progress:

KICC Renovation - \$207 Million



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